

HOUSE BILL NO. 345

INTRODUCED BY GALLIK

A BILL FOR AN ACT ENTITLED: "AN ACT EXTENDING THE PERIOD OF TIME FOR WHICH A CAUSE OF ACTION FOR A FRAUDULENT TRANSFER MAY BE FILED; ~~PROVIDING FOR TOLLING OF THE PERIOD OF LIMITATION IF THE TRANSFERRED PROPERTY IS SUBJECT TO ANOTHER CLAIM AGAINST THE TRANSFEROR;~~ AMENDING SECTION 31-2-341, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND A RETROACTIVE APPLICABILITY DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 31-2-341, MCA, is amended to read:

"31-2-341. ~~Extinguishment~~ Termination of cause of action. ~~(1)~~ A cause of action with respect to a fraudulent transfer or obligation under this part is ~~extinguished~~ terminated unless an action is brought under:

~~(1)(a)~~ (1) 31-2-333(1)(a) within ~~2~~ 4 years after the transfer was made or the obligation was incurred or, if later, within ~~4~~ 2 years after the transfer or obligation was or could reasonably have been discovered by the claimant;

~~(2)(b)~~ (2) 31-2-333(1)(b) or 31-2-334(1) within ~~2~~ 4 years after the transfer was made or the obligation was incurred; or

~~(3)(c)~~ (3) 31-2-334(2) within ~~4~~ 2 years after the transfer was made or the obligation was incurred.

~~—— (2) The periods of limitation contained in subsection (1) are tolled until a judgment is obtained if the transferred property is subject to another claim against the transferor."~~

NEW SECTION. **Section 2. Effective date.** [This act] is effective on passage and approval.

~~—— NEW SECTION. **Section 3. Retroactive applicability.** [This act] applies retroactively, within the meaning of 1-2-109, to transfers that occurred before [the effective date of this act] for which the period prescribed in 31-2-341 had not yet run.~~

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